



PSC NEWS

Missouri Public Service Commission

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FY-04-189

NATURAL GAS RATES TO CHANGE FOR AQUILA, INC. d/b/a AQUILA NETWORKS---L&P UNDER SCHEDULED SUMMER NATURAL GAS FILING

Jefferson City (April 29, 2004)---To reflect estimated changes in the cost of natural gas for the summer season, Aquila, Inc. d/b/a Aquila Networks-L&P customers will experience an increase in natural gas rates under a scheduled summer season filing reviewed and accepted by the Missouri Public Service Commission. This rate change, which will take effect on April 30, 2004, is interim subject to refund.

A residential customer currently pays \$0.68975 per Ccf (100 cubic feet of gas). Under this filing, the rate will increase to \$0.73333 per Ccf, an increase of approximately 4.3 cents per Ccf. The effect on a typical residential customer for the summer season (April through October) is an increase of approximately \$9 when compared to the rates currently in effect.

Approximately 60% to 75% of a customer's natural gas bill reflects the cost of natural gas from wholesale suppliers. **The wholesale cost of natural gas** (the cost the local natural gas company must pay to its suppliers for natural gas) **is not regulated by the Missouri Public Service Commission.** The wellhead cost of natural gas is unregulated and is primarily driven by supply and demand. The Missouri Public Service Commission does conduct an annual regulatory review to ensure that regulated gas companies make prudent decisions in securing natural gas supplies for their customers.

Aquila, Inc. d/b/a Aquila Networks-L&P serves approximately 6,125 natural gas customers in the Missouri counties of Andrew, Atchison, Nodaway and Holt.

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